

# **Brownfields Study Group**

## **Meeting Notes**

### **12/2/1999**

#### **Attendees**

John Antaramian  
Jeff Bentoff  
Tom Bergamini  
Paul Boersra  
Kendra Bonderud  
Loren Brumberg  
Nova Clite  
Brian Dranzik  
Bob Fassbender  
Darsi Foss  
Judie Gibbon  
Mark Giesfeldt  
Jeff Gohlke  
Mark Gordon  
Maureen Hubeler  
Jacqueline Jarvis  
Deborah Johnson  
Bruce Keyes  
Dennis Lawton  
Dennis Leong  
David S. Liebl  
Jim Lonsdorf

Jessica Milz  
Tom Mueller  
Cami Peterson  
Michael Prager  
Joe Renville  
John Robinson  
Andrew Savagian  
Jim Schmidt  
David Schmiedicke  
Jason Scott  
Pat Stevens  
Joy Stieglitz  
Marvin Strawn  
John Stricker  
Andrew Struck  
Pat Sullivan  
Chuck Warzecka  
Marc Weinberger  
Mark Werner  
Scott C. Wilson  
Manyee Wong

#### **A. Welcome, Introduction, Agenda Repair**

#### **B. DNR Brownfields Budget Changes**

Please see the publication "Brownfields Initiatives in the 1999-2001 State Budget" (publication # RR-623) which summarizes the statutory changes and funding allocations in the budget related to brownfields. For the complete statutory language, please refer to the 1999 Wisconsin Act 9 on the web at [www.legis.state.wi.us/billtext/acts/99acts.html](http://www.legis.state.wi.us/billtext/acts/99acts.html), or call the Legislative Document Room at (608) 266-2400 for more information.

##### **1. Community Financial Assistance (CFA) – Bob Ramharter, 608-266-3915**

###### **Land Recycling Loan**

- This loan was created in the 1997-1999 state budget and had a few changes to the program in this budget
- The interest rate was reduced to 0%, with a service fee of 0.5%
- \$20 million is available
- CFA has already received 1 application, might be getting 1 more
- There are 28 interested projects for this next fiscal year
- The deadline for filling out the intent to apply form for next fiscal year (July 1) loans is due by Dec. 31, 1999

###### **Site Assessment Grant**

- This is a new grant program for this budget
- \$1.45 million is available for the biennium
- Grant can be used for site investigation, UST and abandoned containers removals, demolition of structures, and asbestos abatement
- No more than 15% of the total available money can be granted to each municipality
- DNR is in the process of promulgating rules
- Sign up on sheet or let Percy Mather (608-266-9263) know if you'd like to be on the Site Assessment Grant Advisory Group

### **Stewardship**

- Budget item to set aside money specifically for brownfields sites was taken out.
- Stewardship still allows for additional points in the scoring if the site is a brownfield site.
- The format of Stewardship is being reworked. Many of the categories are being grouped into 2 big categories. This should not affect the areas where brownfields are competitive (such as urban rivers and urban green space).

### **2. Remediation & Redevelopment:** Andrew Savagian, 608-261-6422, Michael Prager, 608-251-4926, Cami Peterson, 608-267-7500

*Please refer to the PowerPoint Presentation handout that was given out at the meeting for further information. If you need a copy of this handout, please e-mail or call Jessica Milz 608-267-0559, milzj@dnr.state.wi.us*

#### **Liability Exemption for Local Governmental Units (LGUs)**

- There are a couple changes to this statute (s. 292.11(9)(e), Wis. Stats.)
- The definition of LGU has expanded to include Community Development Authorities
- Extends exemption to properties where discharge was from a federally regulated UST
- Expands types of eligible acquisition (Stewardship Program funds and escheat)
- LGU must allow DNR and RP access to take action and respond to the discharge

#### **Hazardous Waste Exemptions for LGUs**

- The budget created a new statutory section (292.24) that allows LGUs to obtain liability protection from certain hazardous waste laws if certain conditions are met

#### **Lenders and Representatives**

- There are new additions to lender exemptions
- Budget removes the exclusion for sites with discharges from federally regulated underground tanks

#### **Voluntary Party Liability Exemption (VPLE) process**

- Eligibility was broadened by removing “reckless and intentional” criteria and expanding definition of Voluntary Party to mean any person who submits application and pays the fees
- State language changed to clarify the covered of the actual liability exemption
- Regarding the use of natural attenuation at VPLE sites, you can now get a certificate of completion before the standards are met
- Environmental insurance may be needed for coverage at VPLE sites using the NA process
- Interim liability protection was created if VP gets insurance

#### **Financial Incentives**

- The budget included a number of changes to existing DNR programs and added new ones
- 1 such new program is the Sustainable Urban Development Zone (SUDZ), which is a pilot program to promote cleanup and redevelopment of 5 communities in Wisconsin. The SUDZ program has \$2.45 million available to the following communities over the next two years: Milwaukee (\$1 million), Green Bay (\$500,000), La Crosse (\$500,000), Oshkosh (\$250,000), and Beloit (\$200,000).

#### **Local Government Tools**

- The Local Government Cause of Action is a new statutory section – 292.33
- Provision to expand the definition of “blighted” to include environmental pollution was removed from the budget.
- Expansion of Negotiated Agreement Authority

### **3. Waste Management – Jim Schmidt, 608-266-5425**

#### **Waste and R&R Program Clarification**

- In April, 1999, a team of Waste and R&R staff was put together to discuss this issue
- The team looked at the Study Group issues, including low marketability of the “landfill” term
- 2 sites were picked as pilots for looking at redevelopment sites with hazardous or solid waste issues (Murray Machinery in the West Central Region and Riverfront Site in the Northeast Region) – these sites were not as helpful as hoped because they were too far into the redevelopment process – currently looking for more pilot sites
- The team inventoried guidance and regulations
- The team solicited a list of FAQs from Regional staff (problems at sites, options, etc.)
- There is a framework for streamlining, in addition 3 key hazardous waste issues were

discussed: 1) Should the DNR use the EPA area of contamination policy? 2) Can we use in situ treatment without a variance? 3) Can these sites be closed under NR726?

- There is a meeting of the R&R and Waste teams on December 9. If no decision is made at that meeting, the issue will go to the Air and Waste Team on December 17. The Study Group will be kept informed of the progress made.
- John Antaramian, Pat Stevens and other members voiced their concern and displeasure at the lack of progress and product on this issue

**C. Department of Commerce Budget Changes – Jackie Jarvis 608-266-7562**

**Brownfields Grants**

- Please refer to the “Brownfields Initiatives” budget summary (mentioned at the top of the minutes)
- Funding has increased by \$2.2 million
- Now have to account for \$400,000 without considering jobs
- July 1, 2001, is the fee sunset
- The new and used vehicle registration fee is the source for this grant money
- You are not precluded from receiving other state funds if you receive a Brownfields Grant
- 7 grants have to go to municipalities with a population under 30,000 (in the current round, 12 out of 25 applicants met this criteria); There was discussion about the breakdown of small applications in smaller communities vs larger
- There may be some scoring changes in the future
- Commerce hopes to announce next round of grants before end of the year
- Next round of grants will be in the spring of 2000

**Enterprise Development Zone**

- There are 10 new zones
- 50% tax credit for remediation costs
- This is not tied to the job tax credit

**Economic Development Brownfields Grant For Milwaukee**

- This is for the City of Milwaukee
- Contact person is Pat Walsh
- The city has a 50% match requirement
- Details are being worked out

**D. Department of Revenue – Marc Weinberger, 608-266-2928**

**ER TIF**

- 1 change is that the definition of eligible costs has been expanded
- Another change pertains to contiguous parcels
- The expenditure period is 15 years
- There are new information packets and new information on the website
- Technical changes to the language are needed, in some places statute refers to single parcel when it should be changed to allow multiple parcels
- DOR may introduce bill with cleanup changes to the statute- Study Group asked if bill changes can be shared with the Group

**Sustainable Urban Development Zone**

- That tax credit was vetoed on a recommendation by DOR because a pilot program does not need tax credits

**1. Cancellation of Delinquent Taxes**

- The charge back changes to this statute were removed and not included in the final budget

**2. Transfer of Tax Delinquent Property from Counties to Cities**

- New statute requires counties to take tax delinquent properties and give them to municipalities if muni submits written request

**E. Follow-up on non-statutory recommendations**

- A lot that didn't get in budget.
- Look at page 98 of report (Chapter 6) and other chapters to see what didn't get in
- ER TIFs – present valuing didn't get in (John Robinson)
- Municipal cost recovery and negotiation 292.35

- Small municipalities caught in landfill cleanup costs – following above item (Jim Lonsdorf)
- Budget requires that DNR work with folks to make recommendations to revise the 292.35

#### **F. Other Updates**

- No adjustment bill, just editorial corrections to current budget. New changes proposed will be for next biennium.

#### **Federal Legislation**

- nothing new regarding Superfund (Congress on break)
- Senator Chaffee recently passed away – major blow to RCRA and Superfund
- Senator Lott's amendment on liability exclusion for recyclers, protection for scrap recyclers from being RP – may or may not be significant to us
- proposal regarding Dry Cleaners - high national GW standards for perc that preempted state laws – got killed but still being pushed
- funding for brownfields looks pretty good – some communities are applying for supplemental funding, DNR does not think that that money is the best choice now for state
- EPA is trying to work on being consistent with messages and understanding state programs

#### **Outreach**

- Any suggestions about blue budget update go to Michael Prager
- Discuss goal or intent of program in fact sheet, not simply statutory language
- How do you reach communities? Workshops? League of Municipalities; meet one on one to discuss site specific issues, otherwise they can't apply it (Loren, Tom Mueller) Create examples on how to solve real world problems – profiles, success stories (Jeff Gohlke); centralized brownfields information center instead of going to all different departments
- Many of these issues were discussed by Outreach sub-group
- Jessica Milz is already working on a success story profile to add in Outreach. A copy will be sent to Study Group.

#### **G. Future of Brownfields Study Group**

- Discussion favored continuing the Brownfields Study Group and sub-groups; sub groups should meet first
- The Group should start thinking about the next budget already. Need more time to write report so it's not as hectic as experienced earlier.
- The Group needs to revisit the ground rules.
- Discussion favored getting more formal recognition of the Group. Letters of support from Senators Burke and Duff would be favorable.
- Membership has a good balance now, but perhaps need to be formalized.
- Pat Stevens indicated that the Group process led to the appearance of unanimous approval when many issues proposed by the Brownfields Study Group were not unanimously supported or approved. In light of this situation, John Stricker recommended that if the Brownfields Study Group continued it should administratively operate in a formal manner utilizing formal votes on proposals and/or issues. A formal structure would add authenticity and accountability to the actions of the Brownfields Study Group.

#### **H. Other items**

- New idea for local government subgroup: Take property by foreclosure and give to 3<sup>rd</sup> party --- change in foreclosure statutes --- idea from City of Milwaukee (Jeff Gohlke and Jeff Bentoff)
- Information: List of who's doing what and in which agency should go out to the Group. (there is a similar list in the back of the Budget Summary fact sheet).

#### **TASKS**

- Letter should go to all state agency heads to request formal continuation of Study Group
- Landfill issue: let landfill public works group working on the issues work on the cost recovery issue, can report to the local government subgroup
- Pull sub-groups together first. Re-survey chairs and members of these groups to make sure they want to continue.
- The local government sub-group plans to meet in January. The rest of the sub-groups and whole Study Group will meet in winter and early spring.

